

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FURST GROUP, INC.

ALLEGED VIOLATIONS OF COMMISSION
REGULATIONS KRS 278.020 AND KRS 278.160

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) CASE NO. 93-239
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O R D E R

On July 13, 1993, the Commission ordered The Furst Group, Inc. ("Furst Group") to show cause why it should not be penalized for a probable violation of KRS 278.020 and 278.160. An informal conference was held on August 6, 1993 to discuss the issues involved with Furst Group's alleged violation of these statutes. A settlement of the issues was not accomplished at the informal conference and a public hearing was held on September 10, 1993.

Based upon the evidence presented at the hearing and Furst Group's responses to the Commission's January 7, 1994 Order, the Commission finds:

1. Furst Group sold and marketed AT&T Communications, Inc. ("AT&T") services exclusively, pursuant to AT&T's Federal Communications Commission ("FCC") tariff.

2. Furst Group did not purchase tariffed services from AT&T but received a commission from AT&T based upon the minutes of use of the customers solicited. AT&T was responsible for billing

customers and its name appeared on the customer bills along with Furst Group.

3. As Furst Group did not purchase tariffed services, it did not have the ability to repackage or increase the price charged for services.

4. Furst Group's activities did not constitute those of a "reseller" in violation of KRS 278.020 and 278.160. The Commission adopts the FCC's definition of "reseller" contained in Resale and Shared Use of Common Carrier Services and Facilities, 60 FCC2d 261 (1976).

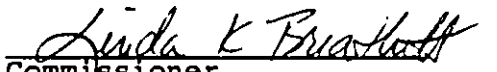
IT IS THEREFORE ORDERED that this case is dismissed and removed from the docket.

Done at Frankfort, Kentucky, this 31st day of March, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director